BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Review Policies Concerning Intrastate Carrier Access Charges.

Rulemaking 03-08-018 (Filed August 21, 2003)

TO: ALL PARTIES OF RECORD IN THE ABOVE-CAPTIONED PROCEEDING

NOTICE OF AVAILABILITY

The revised draft decision of Administrative Law Judge (ALJ) Bushey and the alternate draft decision of Commissioner Peevey have been made available at http://www.cpuc.ca.gov/PUBLISHED/COMMENT_DECISION/54432.htm and http://www.cpuc.ca.gov/PUBLISHED/COMMENT_DECISION/54434.htm on March 14, 2006.

The revised draft decision proposes to reduce intrastate access charges¹ by eliminating two non-cost based charges - the network interconnection charge (NIC) and transport interconnection charge (TIC). Local exchange carriers would be authorized to impose a surcharge on local telephone service to recover lost revenues.

Pub. Util. Code § 311(e) requires that the alternate item be accompanied by a digest that clearly explains the substantive revisions to the revised draft decision. The digest of the alternate draft decision is attached.

Any recipient of this Notice of Availability who is not receiving service by electronic mail in this proceeding or who is unable to access the link to the Commission's website given above may request a paper copy of the revised draft decision and the alternate from the Commission's Central Files Office, at (415) 703-2045; fax number (415) 703-2263; e-mail cen@cpuc.ca.gov.

¹ The term "access charges" refers to charges imposed by local exchange carriers for use of the local network by interexchange or long distance carriers, who use this switched access to originate and terminate long distance calls to the vast majority of California residential and business customers.

Comment and Review Period

The revised draft decision and the alternate will not appear on the Commission's agenda for at least 30 days after the date it is mailed. The Commission may act then, or it may postpone action until later. When the Commission acts on these agenda items, it may adopt all or part of the decision as written, amend or modify them, or set them aside and prepare its own decision. Only when the Commission acts does the decision become binding on the parties.

Parties to the proceeding may file comments on the revised draft decision and the alternate draft decision as provided in Pub. Util. Code § 311(e) and in Article 19 of the Commission's "Rules of Practice and Procedure," accessible on the Commission's website at www.cpuc.ca.gov. Pursuant to Rule 77.3, opening comments shall not exceed 15 pages.

Comments must be filed with the Commission's Docket Office. Comments should be served on parties to this proceeding in accordance with Rules 2.3 and 2.3.1. Electronic copies of comments should be sent to ALJ Bushey at mab@cpuc.ca.gov and Commissioner Peevey's advisor Lester Wong at <a href="mailto:li]@cpuc.ca.gov. All parties must serve hard copies on the ALJ and the Assigned Commissioner, and for that purpose I suggest hand delivery, overnight mail or other expeditious methods of service. The current service list for this proceeding is available on the Commission's website, www.cpuc.ca.gov.

Dated March 14, 2006, at San Francisco, California.

/s/ ANGELA K. MINKIN
Angela K. Minkin, Chief
Administrative Law Judge

ANG:hl2 Attachment

ATTACHMENT

R.03-08-018 – Digest of Differences Between Revised Draft Decision and Alternate Decision:

The alternate draft decision differs substantively from the revised draft decision in the following respects:

1. Methodology for Offsetting Rate Increases

Revised Draft Decision

Annual filings for surcharge calculation. No time limit.

Alternate Decision

Annual filings for surcharge calculations but after five years SBC or Verizon may request relief from annual filing.

2. Treatment of Network Interconnection Charge (NIC) and Transport Interconnection Charge (TIC) Collections from SBC's and Verizon's Long Distance Services and Affiliates

Revised Draft Decision

Excludes SBC's and Verizon's long distance and affiliate NIC and TIC collections from the tabulation of lost revenue.

Alternate Decision

Includes SBC's and Verizon's long distance and affiliate NIC and TIC collections in the tabulation of lost revenue.

(END OF ATTACHMENT)

Bushey Revised Comment Dec Peevey Alternate